

May 28, 2008

Transition Plan: Indiana Department of Financial Institutions

Current Indiana Loan Licensees:

Lenders holding an Indiana Loan License, and regularly engaged in Subordinate Lien Mortgage Lending in Indiana, must create a record in the Nationwide Mortgage Licensing System (NMLS) by filing a Form MU1 for the company and a Form MU2 for each of their control persons by **November 1, 2008**. After November 1 and before December 31, 2008, the lender must transition the existing license to a Subordinate Lien Mortgage Lending license via NMLS.

Completing and submitting the MU1 and MU2 forms will replace part of Indiana's annual renewal process. Licensees will report annual volume directly to the Department on a separate document issued by the Department.

It is important that current licensees have their Indiana LicID number available when completing and submitting their MU Forms. The LicID number has been provided to each licensee in previous communications and is available on the Department's Web site at: <http://extranet.dfi.in.gov/dfidb/nondeplist.aspx>.

If your company is regularly engaged in Indiana in first lien mortgage lending, your company will also need to apply for the new First Lien Mortgage Lending license. Beginning January 1, 2009, you must be licensed to make first lien mortgage loans in Indiana. The application for this license is to be made via NMLS, and the license application will be available on November 1, 2008. For additional information go to: <http://www.in.gov/dfi/2673.htm>.

Note: If you have submitted forms MU1 and MU2 for another state, you do not need to re-enter your company record into NMLS to transition your license. You will only need to identify the appropriate license in Indiana (Subordinate Lien Mortgage Lending) and complete a few state specific requirements.